

Accountant Tom Lowenstein selling art to make space for more creative payments



Tom Lowenstein with two of the artworks from his collection that he is selling in the Mossgreen auction. Charles Blackman's *Woman Lovers* c.1980 (left) and Garry Shead's *Thirroul Morning* 1994. *Josh Robenstone*



by [Sally Patten](#) Saturday 11 February 2017

Tom Lowenstein is no garden variety art collector. Not for this accountant, now 80, the usual practice of buying pictures from galleries, auction houses or even directly from the artist. Since the 1970s Lowenstein has been accepting works from his artist clients in return for tax advice.

There has been an obvious cost in terms of cashflow and his business has often had to borrow to sustain the model. But on the upside, artists have been keen to hand over high quality works, well aware that they will be seen by fellow painters and sculptors who also frequent Lowenstein's offices.

The walls of the eponymous Lowensteins' otherwise modest head office in South Melbourne drip with works by Rick Amor, Sally Smart, Sophia Hewson, Michael Johnson, Richard Bell and Guan Wei

"There's nothing like peer group pressure," quips Adam Micmacher, a director of the firm.



Rick Amor's *Derelict Eucalyptus Still Near Wedderburn*, 2001, is estimated to fetch \$30,000-35,000 in the sale.

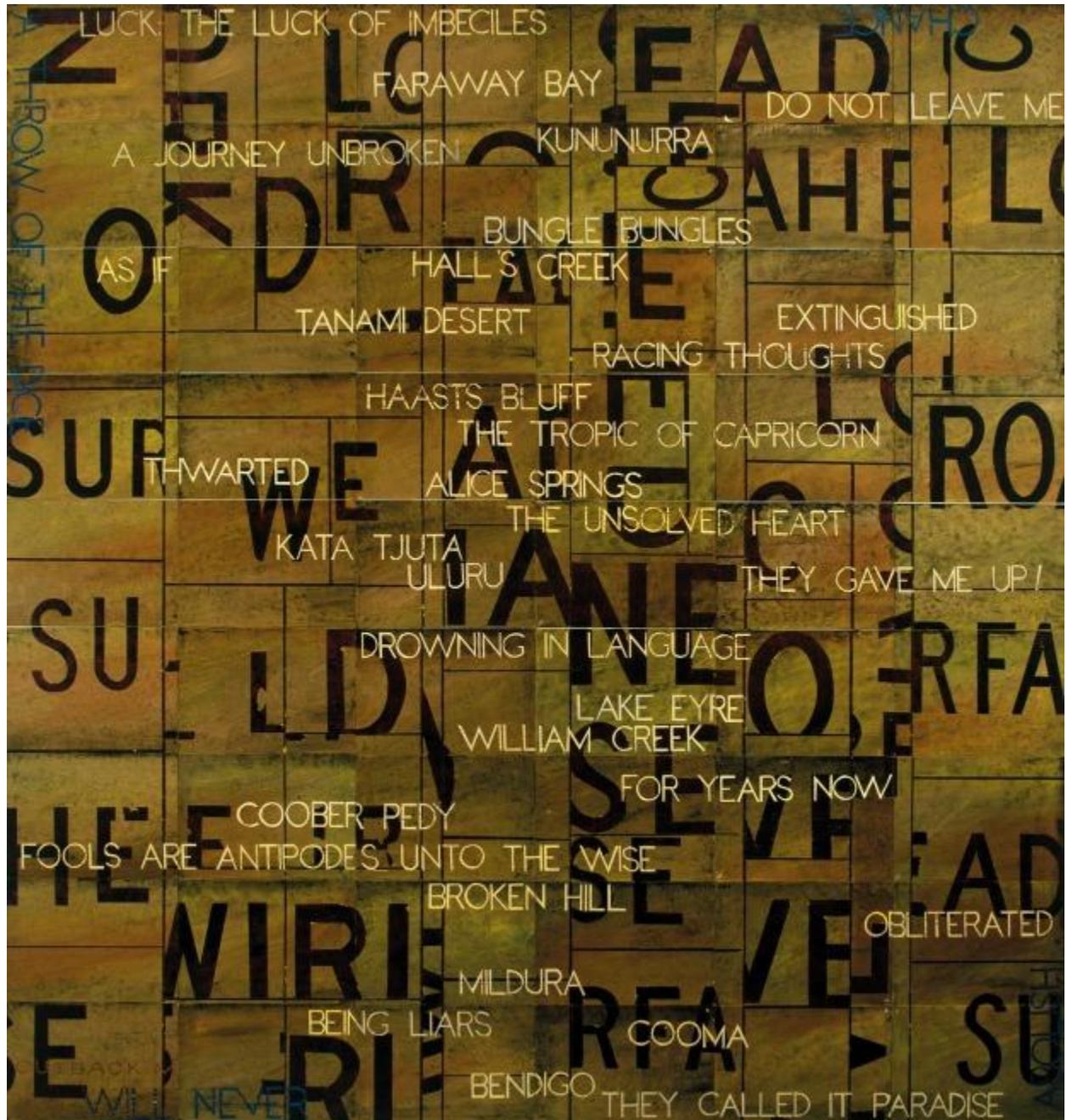
These days the pressure is substantial, given that Lowensteins' clients number about 3000, including painters, sculptors, musicians, singers, graphic artists, filmmakers, set and costume designers and architects.

Next month, some 255 pieces, about a quarter of the entire collection, will go under the hammer at auctioneers Mossgreen, allowing Lowenstein and his fellow directors, son Evan and Micmacher, to realise some cash, fund business expansion and invest in emerging artists.

"You can't [exchange paintings for tax advice] forever. We will re-set and collect again," says Micmacher.

Who's who of Australian art

The auction is expected to raise \$2 million and, everything being well, will result in works by John Olsen, Robert Klippel, Margaret Olley, Tim Storrier, Emily Kame Kngwarreye, Ben Quilty and Brett Whiteley finding new homes. The last time Lowenstein and his partners sold down part of their collection was in 2002. The 214-page catalogue for the upcoming auction reads like a who's who of Australian artists working since the 1990s.



Imants Tillers, *Outback M*, 2008, has an auction estimate of \$30,000-35,000.

One of the Olsens in the sale, *Rabbit Warren – Rydal*, took a circuitous route to Lowenstein's offices. In 1997, Lowenstein visited Olsen's home at Rydal and selected a painting in exchange for services rendered. The picture, almost entirely covered in ochre-red and brown base, depicts two birds looking menacingly at a wide-eyed rabbit in a desert environment. Lowenstein loved it.

"I just loved the earthiness of the colours, the feel of the Australian landscape. The fact Olsen positioned a robin bird, greater in proportion to any of the rabbits is fascinating as the perspective constantly moves. And Sylvia [Lowenstein's wife] fell in love with it too," Lowenstein recalls.

Two weeks later, when the painting hadn't arrived, Lowenstein rang Olsen, who said that perhaps there had been a mix-up and the 107cm by 121cm picture had mistakenly been sent as part of a shipment to a collector. Lowenstein rang the collector, who said that yes, he had received an extra work. "I've got a green one and a brown one. Which one's yours?"

Lowenstein nominated the brown one, prompting mutterings on the other end of the phone suggesting that the accountant had chosen the superior picture.



Tim Storrier's *Still Life & Fire*, 1990, is forecast to reach up to \$45,000 at the auction.

Another standout picture to go under the hammer is Gary Shead's *Thirroul Morning*. That picture came into the Lowenstein collection soon after it was painted in 1994. Shead's wife, Judith, dropped by the Lowensteins' offices to ask if Tom would help them with their tax return. Lowenstein said yes and moreover would be prepared to accept a painting in lieu of cash payment.

It was before Shead had become commercially successful and Judith was more than a little relieved. "She grabbed me and hugged me in delight," remembers Lowenstein.

Another piece in the sales, *Women Lovers* by Charles Blackman, has hung in Lowenstein's bedroom in the Melbourne suburb of Caulfield for 30 years. It has recently been replaced with another Shead, *Night Watch*.

'Art is an itch'



Margaret Olley's *Plumbago with Manet*, 1994, is expected to go under the hammer for between \$35,000 and \$38,000.

Asked how he feels about selling the pictures, many of which have personal stories behind them, Lowenstein replies: "At first I was sad to sell part of our collection, but now realising it will be replaced over the next 20 years of collecting with something equally magnificent, I am now happy. Perhaps the best way to answer this is to quote my great friend and client, John Olsen, who said: 'Art is an itch, in fact it's worse than an itch; it is an inoperable disease and it's terminal'."

Included in the auction are about 12 pieces that are being sold by Lowenstein's self-managed superannuation fund. Art and super is a touchy subject around Lowenstein's HQ. The 2010 Cooper report of Australia's super sector proposed that self-managed funds be banned from investing in collectibles such as art, coins, wine and antique cars.

The Labor government ignored the recommendation but drastically tightened the rules for holding such investments, including requirements that items be insured, stored out of sight and valued by a qualified independent expert. "The rules on how you must deal with artwork making it almost prohibitive," argues Micmacher.

Lowenstein's self-managed fund once held 50 works, but that figure is now down to about 20. When the rules changed, the accountant bought most of them from the super fund and put them in his personal name, primarily so he could continue to enjoy them on his walls. For the octogenarian, art is to be seen, not stored.

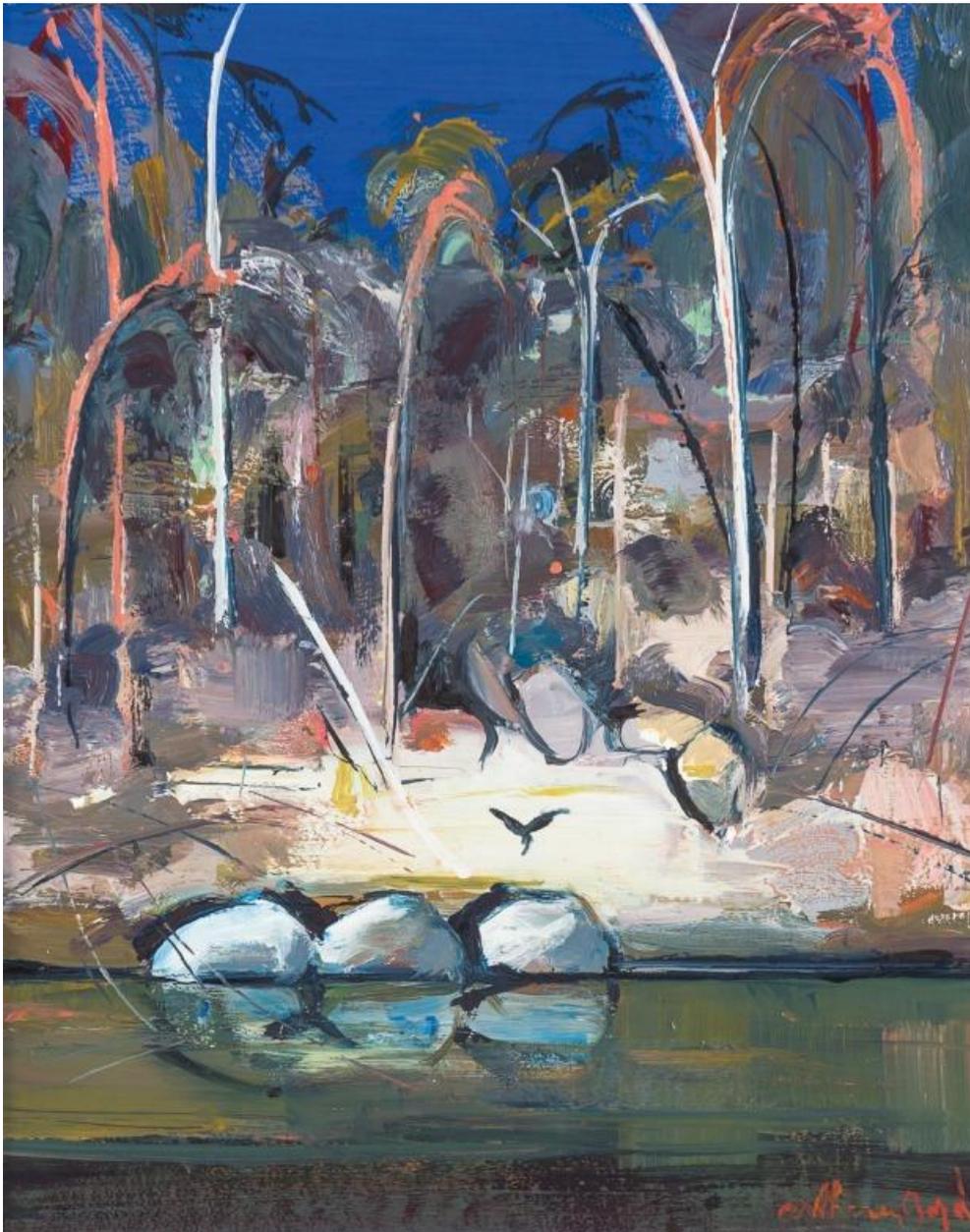


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Lowenstein senior and junior and Micmacher are still furious at the changes in the rules, largely blaming them for a 39 per cent drop in the value of works sold by established artists between 2008 and 2015 and a 32 per cent fall in the case of mid-career artists, as well as the closure of a raft of galleries.

Despite the super rules changes, Lowenstein has high hopes for the auction, to be held in Melbourne on March 7.

"The legislation changes to self-managed funds have obviously hurt the art market, but I believe the quality of these works in our auction will create keen interest. To my way of thinking, there are three types of people, serious collectors, long term investors and speculators and it is this last category which has largely disappeared from the market."



The late Arthur Boyd's *Shoalhaven*, circa 1980, is tipped to fetch \$18,000-20,000.



Yvonne Audette's *Game of Football No.1*, 2001, has an estimate price of \$25,000-30,000.

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